

Health and Human Services

332.702

public interest (see FAR 32.402(c)(1)(iii)(A)) shall be made by the respective chief of the contracting office (CCO)(not delegable).

332.403 Applicability.

All contracts for research work with educational institutions located in the United States shall provide for financing by use of advance payments, in reasonable amounts, unless otherwise prohibited by law.

332.407 Interest.

(d) The HCA (not delegable) is authorized to make the determinations in FAR 32.407(d) and as follows. In addition to the interest-free advance payments for the types of contracts listed in FAR 32.407(d), advance payments without interest may be approved for nonprofit contracts which are without fee with educational institutions and other nonprofit organizations, whether public or private, which are for the performance of work involving health services, educational programs, or social service programs, including, but not limited to, programs such as:

- (1) Community health representative services for an Indian Tribe or Band;
- (2) Narcotic addict rehabilitative services;
- (3) Comprehensive health care service program for Model Neighborhood programs;
- (4) Planning and development of health maintenance organizations;
- (5) Dissemination of information derived from educational research;
- (6) Surveys or demonstrations in the field of education;
- (7) Producing or distributing educational media for handicapped persons including captioned films for the hearing impaired;
- (8) Operation of language or area centers;
- (9) Conduct of biomedical research and support services;
- (10) Research surveys or demonstrations involving the training and placement of health manpower and health professionals, and dissemination of related information; and
- (11) Surveys or demonstrations in the field of social service.

332.409 Contracting officer action.

332.409-1 Recommendation for approval.

The information in FAR 32.409-1 (or FAR 32.409-2) shall be transmitted to the HCA in the form of a briefing memorandum.

Subpart 332.5—Progress Payments Based on Cost

332.501 General.

332.501-2 Unusual progress payments.

(a)(3) The approval of an unusual progress payment shall be made by the head of the contracting activity (HCA)(not delegable).

Subpart 332.7—Contract Funding

332.702 Policy.

An incrementally funded contract is a contract in which the total work effort is to be performed over multiple time periods and funds are allotted to cover discernible phases or increments of performance.

(a) Incremental funding may be applied to cost-reimbursement type contracts for the acquisition of research and development and other types of nonpersonal, nonseverable services. It shall not be applied to contracts for construction services, architect-engineer services, or severable services. Incremental funding allows nonseverable cost-reimbursement contracts, awarded for more than one year, to be funded from succeeding fiscal years.

(b) It is departmental policy that contracts for projects of multiple year duration be fully funded, whenever possible, to cover the entire project. However, incrementally funded contracts may be used when:

- (1) A project, which is part of an approved program, is anticipated to be of multiple year duration, but funds are not currently available to cover the entire project;
- (2) The project represents a valid need for the fiscal year in which the contract is awarded and of the succeeding fiscal years of the project's duration, during which additional funds may be obligated by increasing the allotment to the contract;